

U.S. Department of Justice

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For Immediate Release:

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EVENT: Guilty Plea

Defendant: Walter Ralph Mabry et al

TWO UNION OFFICIALS CONVICTED OF SOLICITING AND RECEIVING PROHIBITED PAYMENTS IN VIOLATION OF THE TAFT-HARTLEY ACT

Two union officers (one current and one former) from southeastern Michigan were found guilty yesterday by a federal jury in Detroit on charges of conspiring to solicit and receive and receiving prohibited payments in the form of discounts from a number of construction companies whose employees were represented by the Michigan Regional Council of Carpenters, a labor organization based in Detroit, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by FBI Special Agent in Charge Daniel D. Roberts, of the Detroit Division, and James Vanderberg, Special Agent in Charge, Department of Labor, Office of Inspector General.

Found guilty of the offenses of receiving a prohibited payment and conspiracy to solicit and receive prohibited payments were Walter Ralph Mabry, 60, of Grosse Pointe Park, who, at the time of the offenses was, and currently is, employed as the Executive

Secretary-Treasurer of the Michigan Regional Council of Carpenters ("MRCC"); and Anthony Michael, 63, of Macomb, who, at the time of the offenses, was employed as the President and Executive Director of the MRCC.

The jury deliberated for about twenty-one hours over a period of three days before returning the verdicts, concluding a three-week trial before United States District Judge Bernard A. Friedman.

The evidence presented at trial showed that between approximately January 1998 and December 1999, Mabry and Michael, using their union positions, conspired to solicit and obtain extraordinary discounts (that is, discounts beyond those typically given to customers) on building materials, labor, and related costs, from a number of area construction companies whose employees were members of the union, in order to reduce the cost to Mabry of constructing a new personal residence in Grosse Pointe Park, Michigan. The evidence also established that they had engaged in the actual solicitation and receipt of a prohibited payment (discount) from one of the companies, the Nelson-Mill Company.

"Inappropriate or 'under the table' discounts or payments to union officials represent an abuse of authority. We appreciate the jury's hard work in reaching this result," said U.S. Attorney Murphy.

Both charges are felonies and carry a maximum sentence of five years imprisonment and a \$250,000 fine.

Murphy commended the work of the agents of the Federal Bureau of Investigation and the United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations.

A sentencing date has not been set. The case was prosecuted by Assistant U.S.

Attorneys Walter I. Kozar and David E. Morris.